

29.01.2018

To,  
**BSE Limited**  
Dept. DSC\_CRD  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
Bandra (E)  
Mumbai 400 001  
Stock code No. **506222**

**National Stock Exchange of India Limited**  
Exchange Plaza,  
Plot No. C/1, 'G' Block,  
Bandra- Kurla Complex,  
Bandra (E)  
Mumbai 400 051  
Stock code. **INEOSSTYRO**

**Subject: Investors Presentation**

Dear Sir,

In continuation to our letter dated 24.01.2018 informing about the earnings call organized by the Company on 30 January 2018, please find the attached Investor Presentation relating to the Unaudited Financial Results for third quarter ended on 31 December 2017 .

The same is also available on the website of the Company.

You are requested to kindly take the above information on your records.

Thanking you.

Yours Faithfully,

**For INEOS Styrolution India Limited**  
*(Formerly: Styrolution ABS (India) Limited)*

  
**Haresh Khilnani**  
Company Secretary, Head – Legal & Compliance

# INEOS STYROLUTION INDIA LIMITED

## INVESTOR PRESENTATION

Q3 2017-18 (October-December)

**INEOS**  
**STYROLUTION**

Driving Success. Together.

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# Notes

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- Revenue from operations for periods up to June 30, 2017 include excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Services Tax in India. In accordance with Ind AS 18, Revenue, GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter and the Nine Months ended December 31, 2017 are not comparable with the previous periods.
- Segment Information :  
Segment reporting in financial results: Based on the "management approach" as defined in Ind AS 108 - 'Operating Segments', the Chief Operating Decision Maker (CODM), as represented by Chairman, Managing Director and CFO, evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segment.

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# Executive summary

<b>Oct-Dec 17 Performance summary</b>	<ul style="list-style-type: none"><li>• Profit Before Tax (PBT) increased to 228 Mio INR in Oct-Dec 17 as compared to 92 Mio INR in Oct-Dec 16.</li><li>• Profit Before Tax (PBT) in Oct-Dec 17 is 228 Mio INR as compared to 256 Mio INR in Jul-Sep 17.</li></ul>
<b>Oct-Dec 17 Market update</b>	<ul style="list-style-type: none"><li>• Market has shown growth resilience in this quarter with overall increase in industrial production.</li><li>• Observed growth momentum and positive sentiments in our core industries namely Automotive, Household &amp; Electronics barring slow down post festive season which has impacted our sales figures.</li></ul>
<b>Oct-Dec 17 Business update</b>	<ul style="list-style-type: none"><li>• Slight subdued demand post festive season has adversely impacted sales in Automotive and Household segments.</li><li>• The implementation of the distribution strategy has resulted in consistent performance and good control in market place.</li></ul>



# INEOS Styrolution at a glance



**3,200**  
EMPLOYEES



**9**  
COUNTRIES



**16**  
PRODUCTION SITES



**6** R&D  
CENTERS



**24** sales  
offices

**Nº1**  
GLOBAL  
LEADER  
in styrenics

**85+**  
YEARS  
of experience  
in styrenics

founded in  
**2011**

APPROX. **1,000**  
PATENTS



**4,000+**  
CUSTOMERS



**1,500+** PRODUCTS



**4.5** BILLION  
EUROS IN REVENUE  
IN 2016



**2,000+** APPLICATIONS ACROSS SEVEN INDUSTRIES



AUTOMOTIVE



ELECTRONICS



HOUSEHOLD



CONSTRUCTION



HEALTHCARE



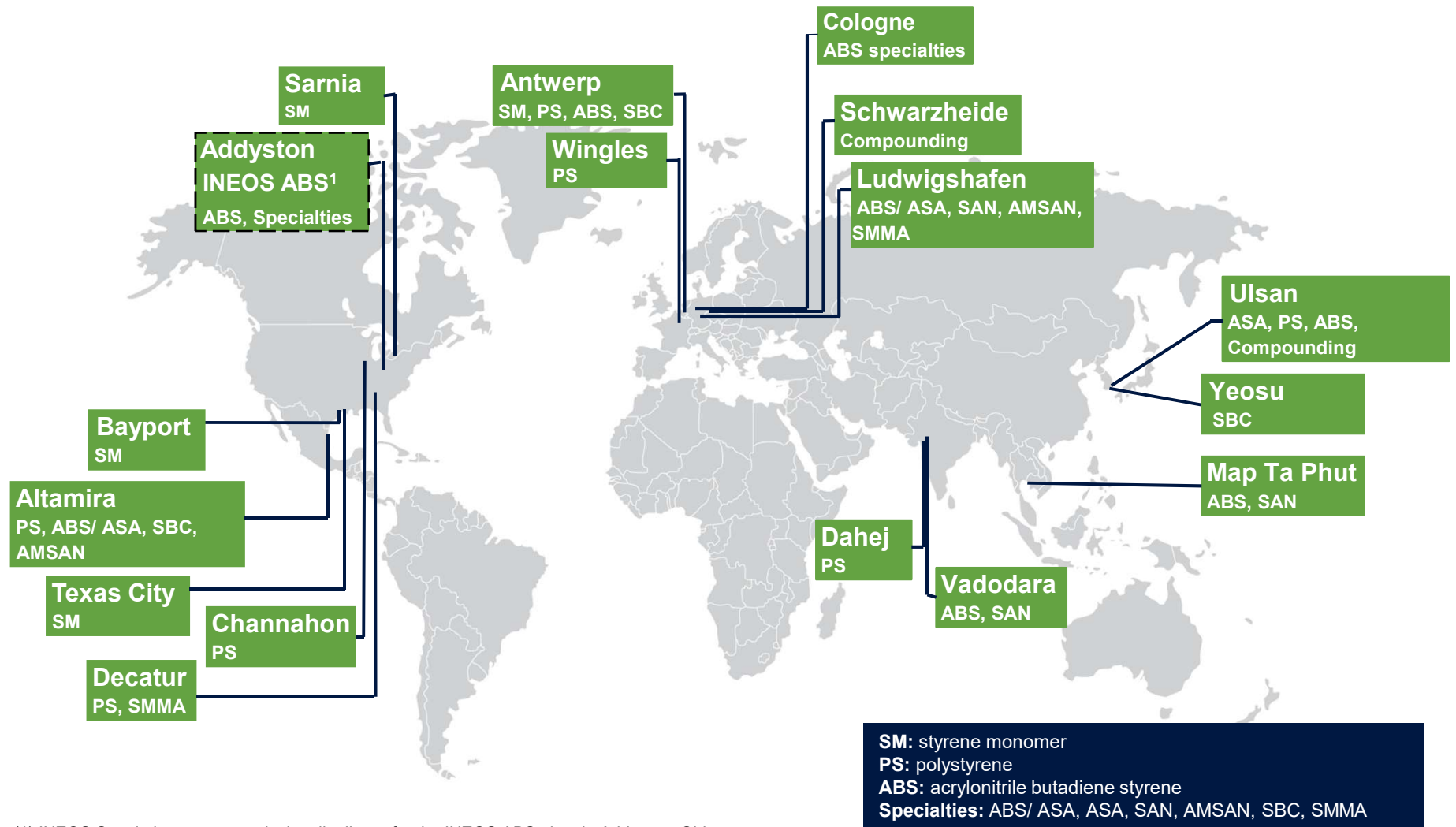
PACKAGING



TOYS, SPORTS  
& LEISURE



# Global reach and proximity to customer markets



(1) INEOS Styrolution acts as exclusive distributor for the INEOS ABS plant in Addyston, Ohio.

# INEOS Styrolution India Limited

## Footprint in India



### Nandesari

- Graft rubber 27 kt/a
- Compounding 14 kt/a
- 45,000 m<sup>2</sup>



### Katol

- SAN 100 kt/a
- 45,000 m<sup>2</sup>



### Moxi

- Compounding 66 kt/a
- 37,700 m<sup>2</sup>



### Dahej

- GPPS 38 kt/a; HIPS 40kt/a
- 227,286 m<sup>2</sup>



### Moxi - R&D Centre



### Kandla - Shore tanks

- 11 tanks, 13.2 km<sup>3</sup>

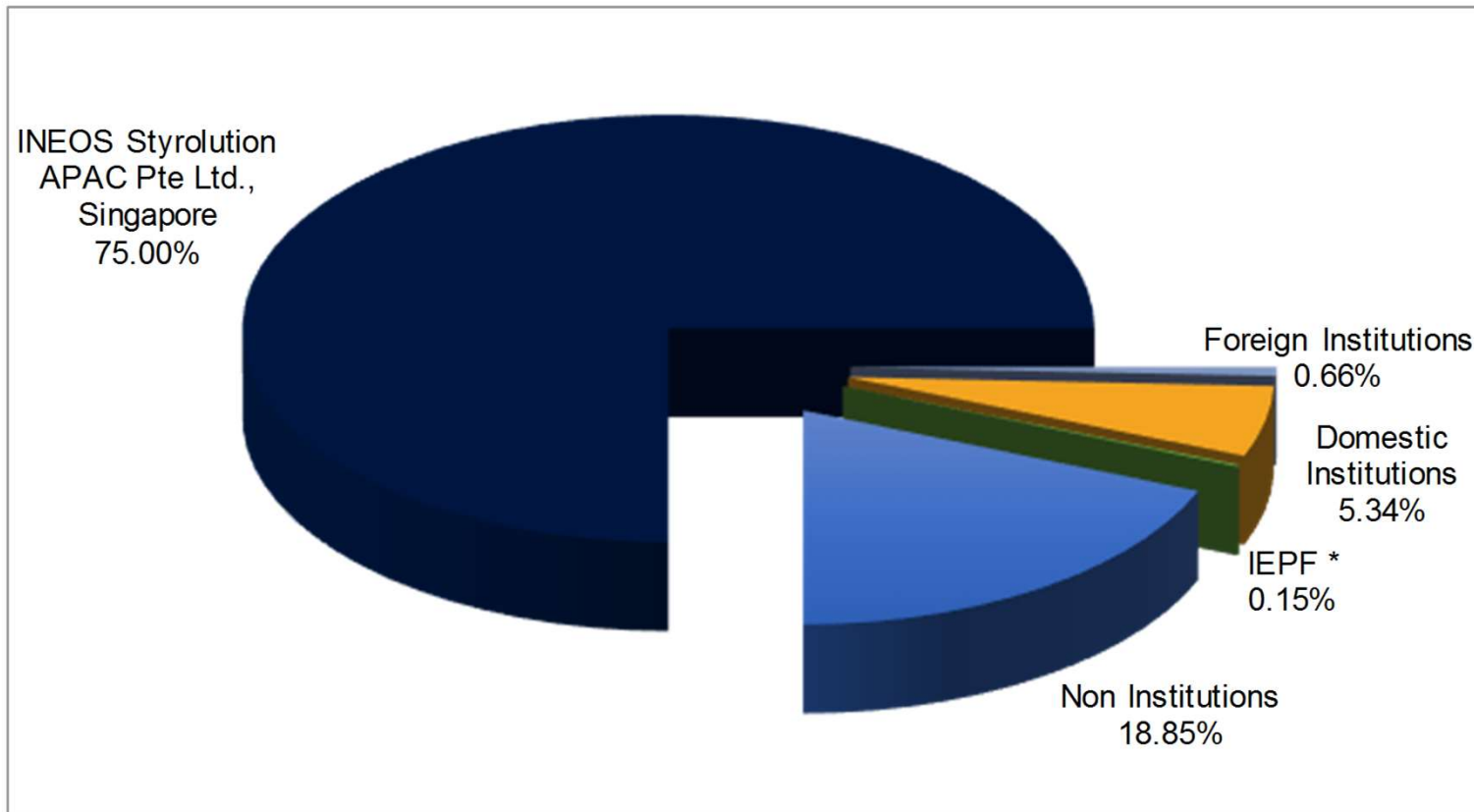


### Lamba, Dhank, Pransla - Windmills

- 40 wind turbines
- 8.6 MW

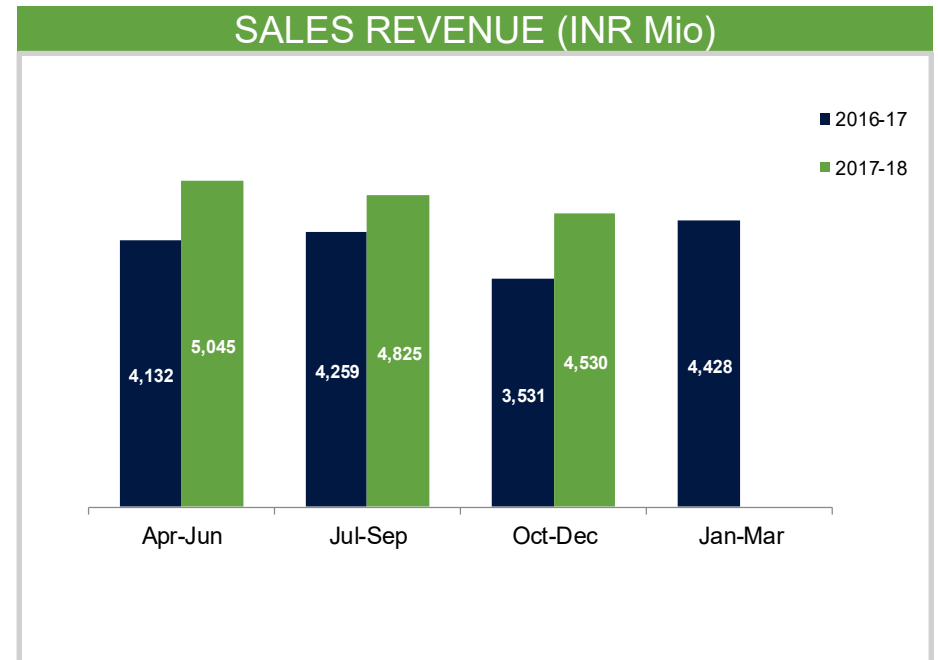
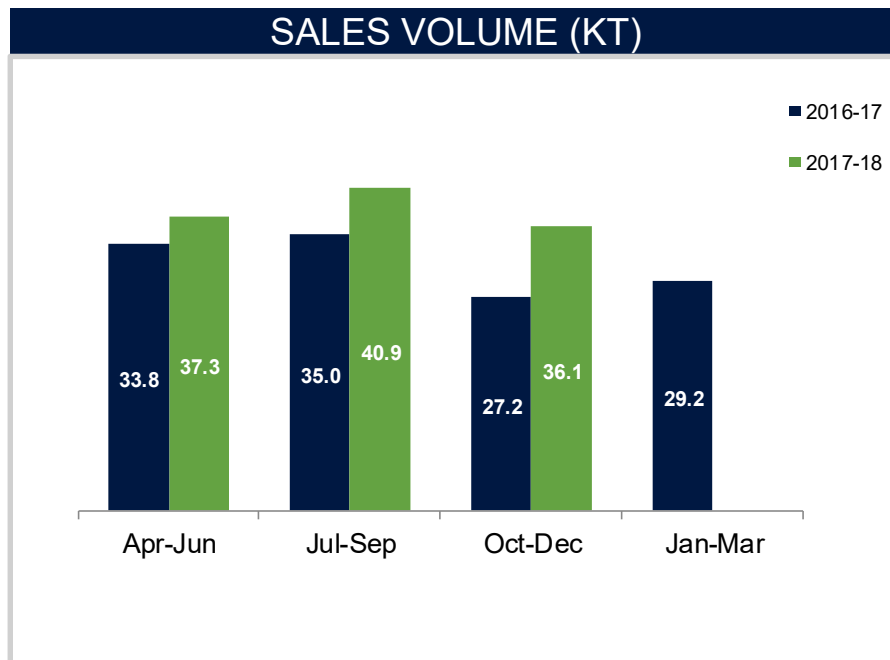
# Shareholding pattern

as at December 31, 2017



\* IEPF : Investor Education and Protection Fund [Government Organization]

# Sales performance



- Subdued demand post festive season impacted sales
- Sales revenue – refer note below.

Revenue from operations for periods up to June 30, 2017 include excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Services Tax in India. In accordance with Ind AS 18, Revenue, GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter and the nine months ended December 31, 2017 are not comparable with the previous periods.

# Financial review

## Q3 2017-18 (Oct-Dec) results highlights

(Unit : INR Mio except volumes & EPS)

Particulars	Oct-Dec 17	Jul-Sep 17	Oct-Dec 16	% vs Jul-Sep 17	% vs Oct-Dec 16
Volumes (kt)	36.1	40.9	27.2	(11.6)	33.0
Sales revenue	4,530	4,826	3,532	(6.1)	28.3
Other income	15	5	5	213.6	169.6
Cost of goods sold	3,477	3,770	2,285	(7.8)	52.1
Excise duty	0	0	411		
Depreciation & amortization	68	61	63	11.2	7.4
Other expenses	772	745	685	3.7	12.6
Profit before tax	228	256	92	(10.7)	147.3
Profit after tax	143	170	54	(15.7)	164.2
Other comprehensive income	8	(1)	(1)	(793.1)	(782.7)
Total comprehensive income	151	169	53	(10.6)	184.4
EPS (Rs.)	8.14	9.65	3.08	(15.7)	164.2

Revenue from operations for periods up to June 30, 2017 include excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Services Tax in India. In accordance with Ind AS 18, Revenue, GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter and the nine months ended December 31, 2017 are not comparable with the previous periods.



# Financial review

## YTD 2017-18 (Apr-Dec) results highlights

(Unit : INR Mio except volumes & EPS)

Particulars	Apr-Dec 17	Apr-Dec 16	% vs Apr-Dec 16
Volumes (kt)	114.0	95.9	18.9
Sales Revenue	14,402	12,199	18.1
Other Income	45	30	51.9
Cost of goods sold	10,927	8,085	35.2
Excise Duty	553	1,352	(59.1)
Depreciation & amortization	191	190	0.6
Other expenses	2,248	1,987	13.1
Profit before tax	527	615	(14.2)
Profit after tax	340	396	(14.1)
Other comprehensive income	5	(4)	(222.4)
Total comprehensive income	346	391	(11.7)
EPS (Rs.)	19.35	22.51	(14.1)

Revenue from operations for periods up to June 30, 2017 include excise duty, which is discontinued effective from July 01, 2017 upon implementation of Goods and Services Tax in India. In accordance with Ind AS 18, Revenue, GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter and the nine months ended December 31, 2017 are not comparable with the previous periods.



# Segment revenue & results

Q3 2017-18 (Oct-Dec) results highlights

(Unit : INR Mio)

Particulars	Oct-Dec 17	Jul-Sep 17	Oct-Dec 16	% vs Jul-Sep 17	% vs Oct-Dec 16
<b>1. Segment revenue</b>					
(Revenue from operations)					
(a) Specialties	3,275	3,478	2,548	(5.8)	28.6
(b) Polystyrene	1,253	1,346	915	(6.9)	36.9
(c) Others	1	2	68	(7.8)	(97.9)
<b>Total</b>	<b>4,530</b>	<b>4,826</b>	<b>3,532</b>	<b>(6.1)</b>	<b>28.3</b>
<b>2. Segment results</b>					
(Segment profit before interest and tax)					
(a) Specialties	244	269	155	(9.4)	57.0
(b) Polystyrene	7	41	(24)	(83.2)	(128.8)
(c) Others	1	2	5	(7.8)	(70.1)
<b>Total segment profit before interest and tax</b>	<b>252</b>	<b>312</b>	<b>136</b>	<b>(19.1)</b>	<b>85.1</b>
(i) Interest expense	(27)	(19)	(15)	38.6	79.0
(ii) Interest income	4	0.1	0.1	3374.2	5721.6
(iii) Other unallocable expenditure (Net of income)	(1)	(37)	(29)	(96.1)	(95.1)
<b>Profit before tax</b>	<b>228</b>	<b>256</b>	<b>92</b>	<b>(10.7)</b>	<b>147.3</b>

- Revenue is not comparable as Oct-Dec 16 sales is inclusive of excise duty which is discontinued effective from July 1, 2017 upon implementation of GST. In accordance with Ind AS 18, GST is not included in revenue from operations in Jul-Sep 17 & Oct-Dec 17.

# Segment assets & liabilities

Q3 2017-18 (Oct-Dec) results highlights

(Unit : INR Mio)

Particulars	Oct-Dec 17	Jul-Sep 17	Oct-Dec 16	% Vs Jul-Sep 17	% Vs Oct-Dec 16
<b>Segment assets</b>					
(a) Specialties	6,938	6,875	6,509	0.9	6.6
(b) Polystyrene	2,290	2,602	2,160	(12.0)	6.0
(c) Unallocated	393	534	593	(26.4)	(33.6)
<b>Total segment assets</b>	<b>9,621</b>	<b>10,012</b>	<b>9,262</b>	<b>(3.9)</b>	<b>3.9</b>
<b>Segment liabilities</b>					
(a) Specialties	1,706	1,468	1,191	16.2	43.2
(b) Polystyrene	114	129	315	(11.7)	(63.8)
(c) Unallocated	1,670	2,435	2,182	(31.4)	(23.5)
<b>Total segment liabilities</b>	<b>3,489</b>	<b>4,031</b>	<b>3,688</b>	<b>(13.4)</b>	<b>(5.4)</b>

# Segment revenue & results

YTD 2017-18 (Apr-Dec) results highlights

(Unit : INR Mio)

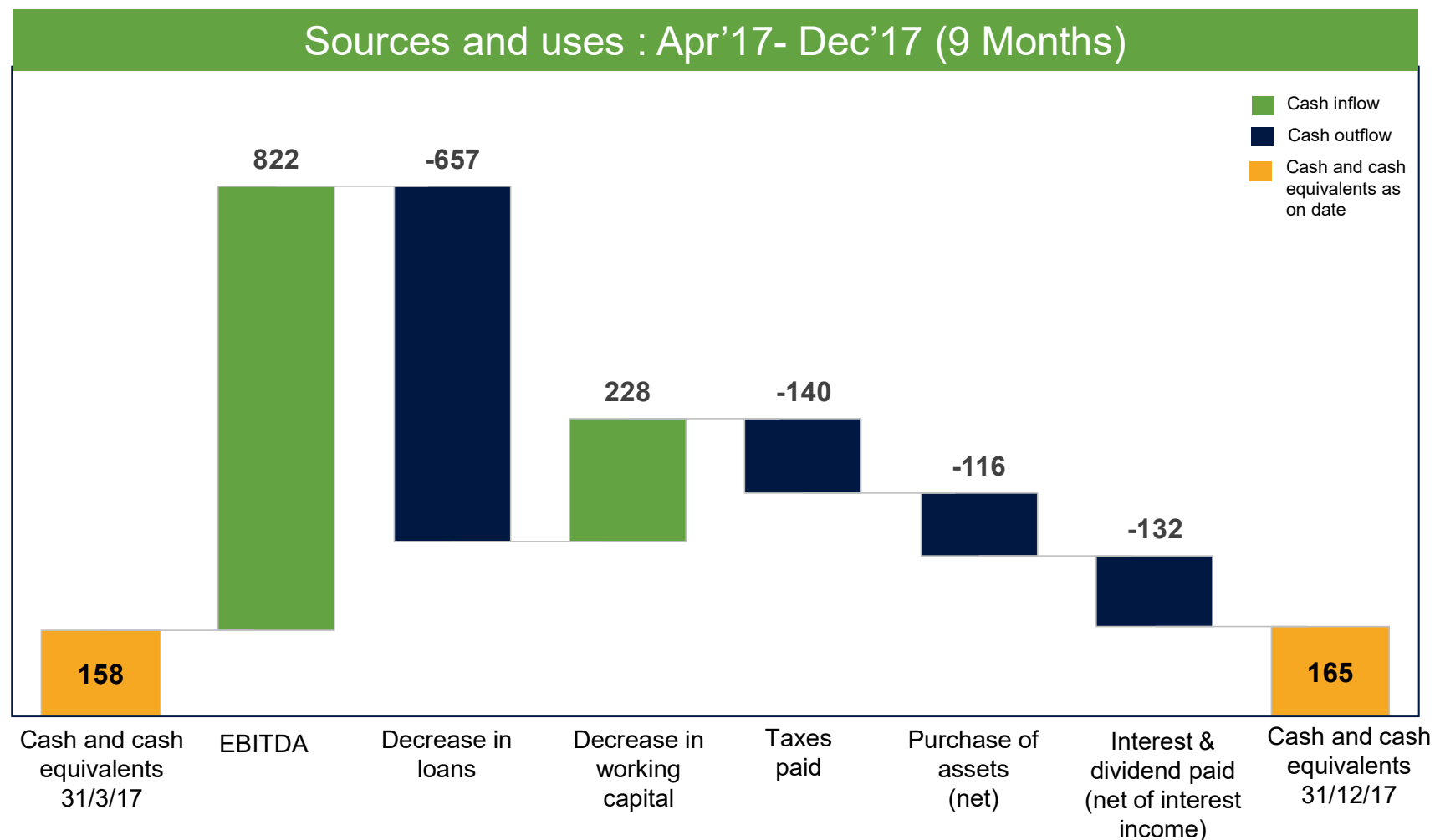
Particulars	Apr-Dec 17	Apr-Dec 16	% Vs Apr-Dec 16
<b>1. Segment revenue</b>			
(Revenue from operations)			
(a) Specialties	10,125	8,332	21.5
(b) Polystyrene	4,273	3,522	21.3
(c) Others	4	344	(98.7)
<b>Total</b>	<b>14,402</b>	<b>12,199</b>	<b>18.1</b>
<b>2. Segment results</b>			
(Segment profit before interest and tax)			
(a) Specialties	656	745	(11.9)
(b) Polystyrene	(22)	7	(407.4)
(c) Others	4	16	(72.0)
<b>Total segment profit before interest and tax</b>	<b>639</b>	<b>768</b>	<b>(16.8)</b>
(i) Interest expense	(72)	(42)	71.8
(ii) Interest income	25	10	146.5
(iii) Other unallocable expenditure (Net of income)	(64)	(121)	(46.9)
<b>Profit before tax</b>	<b>527</b>	<b>615</b>	<b>(14.2)</b>

Revenue is not comparable as Apr-Dec 16 is inclusive of excise duty, while Apr-Dec 17 includes only 3 months excise duty which is discontinued effective from July 1, 2017 upon implementation of GST. In accordance with Ind AS 18, GST is not included in revenue from operations.

# Financial profile

Sources and uses of cash and cash equivalents for the period Apr'17 to Dec'17

(UNIT:INR MIO)



- Above cash flow is as per local reporting

# Outlook 2018

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## Assumptions for 2018

- We expect various budgetary schemes to drive demand growth.
- We do not expect any major impact from implementation of GST.
- We do not expect abnormal movement in currency rates and raw material prices.

## Target 2018

- Continue to strengthen our position in Specialties, drive product mix to maximize margins and add new grades to our product portfolio.
- Continue to optimize distribution network through third party logistics.
- Ensure stable operations.

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# THANK YOU

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